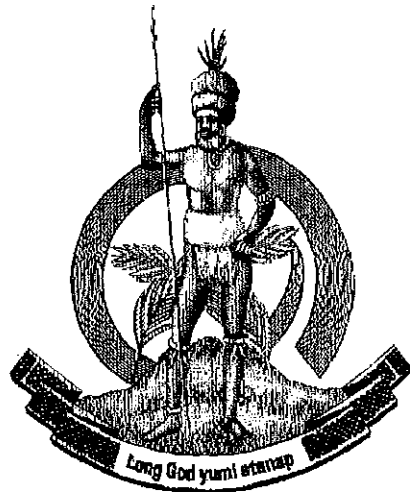


Ministry of Education



School Financial Procedures Quick Guides

SCHOOL FINANCIAL PROCEDURES

Quick Guides

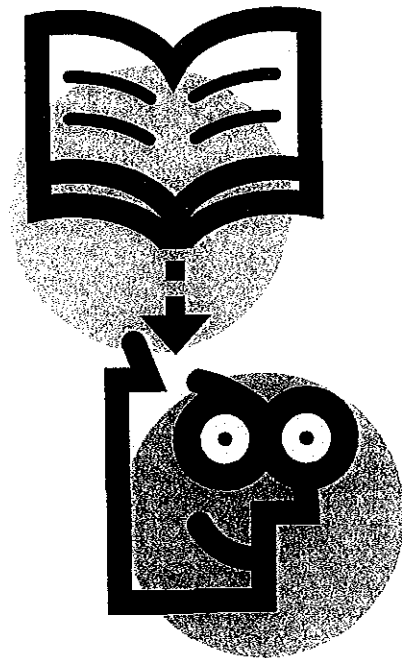


Table of Contents

A)	Introduction.....	3
B)	Receiving Payment for Boarding Fees or other student costs.....	4
C)	Receiving Payment for Fees by Direct Deposit.....	6
D)	Receiving School Grants.....	8
E)	Receiving Fundraising Money and Donations.....	9
F)	Taking the money received to the bank.....	11
G)	Paying Wages with a Cheque.....	12
H)	Paying for supplies with a cheque.....	14
I)	Setting Up Petty Cash.....	17
J)	Topping Up Petty Cash.....	20
K)	Paying Wages with Petty Cash.....	23
L)	Paying for supplies with petty cash.....	24
M)	Checking the Bank Statement (every month).....	25
N)	Filling Up a Financial Report.....	28
O)	Making a School Budget.....	30
P)	Change Bank Account Signatories.....	34

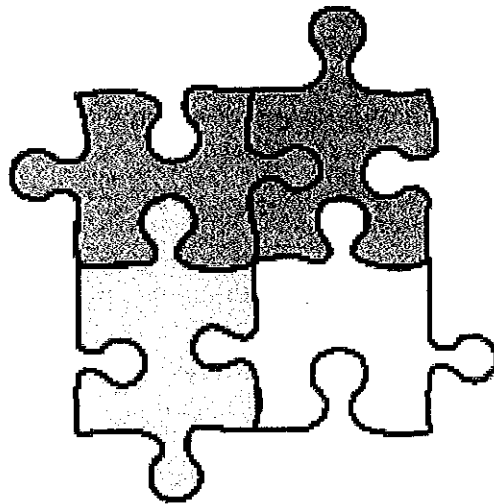


A) Introduction

The School Financial Management Manual is a reference which covers most kinds of transactions that schools will be involved in from time to time. Much of what is included in the School Financial Management Manual (SFMM) will not be needed by smaller schools.

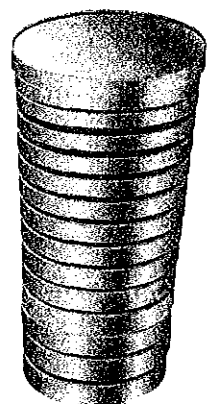
This booklet contains step-by-step guides for the basic transactions that schools will most probably need to process. This is intended to help heads of schools manage the financial part of their administration responsibilities more easily.

This guide will be discussed in future training sessions for heads of schools. Please pass on any of your ideas or suggestions for improvement on to MoE Finance Unit.



B)Receiving Payment for Boarding Fees or other student costs

1. Take the receipt book out from the drawer where it is always kept for security.
2. Check the amount on the cheque, or count the cash.
3. Check the carbon is in between the two pages of the next receipt.
4. Write in the name of the person the money is from, what the money is for, and the name and class of the student.
5. Write the date and the amount.
6. You sign the receipt (not the person paying) and stamp it with the school official stamp.
7. Count the money again.
8. Place the cash in the lockable cash box, relock it and put it back in the filing cabinet.
9. Tear out the original portion of the receipt and hand it to the person who paid the money.
10. Put the receipt book back in the drawer where it is kept securely.
11. Either immediately, or before the end of the day, get out the cash book.
12. On the next clear line on the cash book write:
 - a. The date of the receipt
 - b. The name of the person who paid the money
 - c. The name of the student and what was paid
 - d. The receipt number
 - e. Skip the next two columns because this is not a cheque payment
 - f. Under "Amount" write the total amount of the receipt
 - g. Write the same amount under Cash Receipts
 - h. Write the amount under Student Income
13. Put a tick on the copy of the receipt in the receipt book so that you know you have recorded it in the cash book.
14. Take out the student register/ cards.



15. Find the page or card for this student.
16. Record the amount and what the money was paid for.
17. If you do not have any more receipts to record, put the receipt book, cash book and student register away.

C) Receiving Payment for Fees by Direct Deposit

1. You have received your monthly bank statement and it shows that some fees were paid into your bank account during the month.
2. Take the receipt book out from the drawer where it is always kept for security.
3. Check the carbon is in between the two pages of the next receipt.
4. Write in the name of the person the money is from, what the money is for, and the name and class of the student.
5. Write the date and the amount.
6. You sign the receipt (not the person paying) and stamp it with the school official stamp.
7. Tear out the original portion of the receipt and arrange to give it to the person who paid the money.
8. Put the receipt book back in the drawer where it is kept securely.
9. Either immediately, or before the end of the day, get out the cash book.
10. On the next clear line on the cash book write:
 - a. The date of the receipt
 - b. The name of the person who paid the money
 - c. The name of the student and what was paid
 - d. The receipt number
 - e. Skip the next two columns because this is not a cheque payment
 - f. Under "Amount" write the total amount of the receipt
 - g. Write the same amount under **Bank Receipts**
 - h. Write the amount under Student Income
11. Put a tick on the copy of the receipt in the receipt book so that you know you have recorded it in the cash book.
12. Take out the student register/ cards.
13. Find the page or card for this student.



14. Record the amount and what the money was paid for.

15. Check the bank statement for more direct deposits.

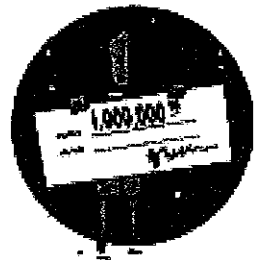
D) Receiving School Grants

1. You have received your monthly bank statement and it shows that the school grant was paid into your bank account during the month.
2. Get the cash book out of the cabinet.
3. On the next clear line on the cash book page for the month that the school grant was deposited write:
 - a. The date of the deposit on the bank statement
 - b. The name is Ministry of Education
 - c. In the next column "School Grant – tranche 1" or 2 or the purpose of the deposit as the case may be.
 - d. Skip the next three columns because this is not a cheque payment
 - e. Under "Amount" write the total amount of the deposit
 - f. Write the same amount under **Bank Receipts**
 - g. Write the amount under Govt Income
4. Look for more direct deposits on the bank statement.



E) Receiving Fundraising Money and Donations

1. Take the receipt book out from the drawer where it is always kept for security.
2. Check the amount on the cheque, or count the cash.
3. Check the carbon is in between the two pages of the next receipt.
4. Write in the name of the person the money is from, and what the money is for.
5. Write the date and the amount.
6. You sign the receipt (not the person paying) and stamp it with the school official stamp.
7. Count the money again.
8. Place the cash in the lockable cash box, relock it and put it back in the filing cabinet.
9. Tear out the original portion of the receipt and hand it to the person who paid the money.
10. Put the receipt book back in the drawer where it is kept securely.
11. Either immediately, or before the end of the day, get out the cash book.
12. On the next clear line on the cash book write:
 - a. The date of the receipt
 - b. The name of the person who paid the money
 - c. The reason the money was received (eg Donation, Hire of School Hall, Cake Stall Fundraising)
 - d. The receipt number
 - e. Skip the next two columns because this is not a cheque payment
 - f. Under "Amount" write the total amount of the receipt
 - g. Write the same amount under Cash Receipts
 - h. Write the amount under Other Income
13. Put a tick on the copy of the receipt in the receipt book so that you know you have recorded it in the cash book.



14. If you do not have any more receipts to record, put the receipt book, cash book and student register away.

F) Taking the money received to the bank

1. Get out the cash book and the bank deposit book.
2. Add up all of the amounts in the Cash Receipts column AFTER the last bank deposit.
3. Take the cash box out of the locked drawer.
4. Add up all of the cash in the box. This should equal the total you found in step 2. If it doesn't, you need to check again.
5. On the next clear line on the cash book write:
 - a. The date of the bank deposit
 - b. "Banking"
 - c. "Banking"
 - d. Skip the next three columns
 - e. Under "Amount" write the total amount of the receipts to be banked
 - f. Write the same amount under **Bank Receipts**
 - g. Write the same amount under **Cash Payments** (you are taking cash out of the cash box and into the bank)
6. Fill in the bank deposit slip.
7. Take the cash and the bank deposit BOOK to the bank. Make sure that the bank teller stamps and initials the butt of the deposit slip. You may need to be able to prove to the bank that you gave them the cash.
8. When you return to the school, put the bank deposit book back into a safe place.

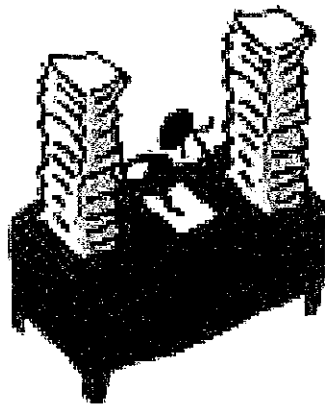


G) Paying Wages with a Cheque

1. Calculate the amount to be paid to the staff member.
2. Record the date and the amount on the wages register on the page for this staff member.
3. Take out a blank Payment Voucher Form.
4. Fill in the payee as the name of the employee.
5. In the details, fill in the days and hours worked each day by the employee.
6. Take the cheque book out from the drawer where it is always kept for security.
7. Calculate the amount of pay for the person.
8. Make a pay advice. Write the person's name, date of pay, dates worked, number of hours worked, hourly or weekly rate of pay and total amount of this pay on two sheets of paper. One sheet of paper is attached to the Payment Voucher instead of a receipt or an invoice. The other sheet is given to the employee with his or her pay so that they know how their pay was calculated and that it is correct.
9. Fill in the Payment Voucher with the name of the person being paid, what they are being paid for, the amount being paid and the date of payment.
10. Attach the pay advice to the Payment Voucher.
11. Write in the cheque butt (the small part that stays in the cheque book):
 - a. The date of payment
 - b. The name of the person being paid
 - c. The reason the person is being paid
 - d. The amount of the cheque.
12. Write in the cheque:
 - a. The date of payment
 - b. The name of the person being paid
 - c. The amount of being paid in words
 - d. The amount being paid in figures (numbers)
13. Take the cheque book, the Payment Voucher and the attached pay slip to each of the cheque signatories who will be signing the cheque. Each signatory signs the cheque and the Payment Voucher.



14. Tear out the cheque leaf and hand it and the other copy of the pay advice to the employee.
15. Get the employee to sign the bottom section of the Payment Voucher as your evidence that you gave them their pay.
16. Put the cheque book back in the drawer where it is kept securely.
17. Either immediately, or before the end of the day, get out the cash book.
18. On the next clear line on the cash book write:
 - a. The date of the cheque
 - b. The name of the person or business who was paid. If the cheque was written to "Cash", then write "Cash" in this column of the Cash Book
 - c. In the column "Details, the reason the money was paid. If the cheque was made to Cash you also need to include the name of the person you gave the cheque to.
 - d. Skip the next column because this is not a receipt
 - e. The cheque number
 - f. The reference number of the Payment Voucher
 - g. Under "Amount" write the total amount of the cheque
 - h. Write the same amount under Cash Payments
 - i. Write the amount under Expenditure - Personnel
19. Put a tick on the Payment Voucher so that you know you have recorded it in the cash book.
20. If you do not have any more payments to record, put the payment vouchers, cash book and cheque book away.

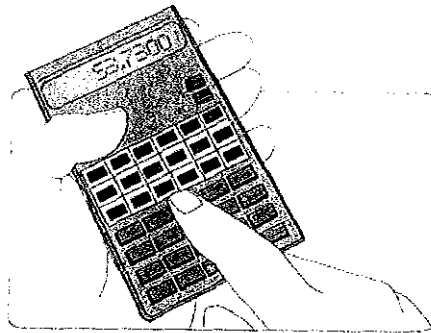


H) Paying for supplies with a cheque

1. If possible, obtain 3 quotations from different suppliers for the goods you want.
2. Select the supplier that meets the quality and other requirements for the best price.
3. Take out a blank Payment Voucher Form.
4. Fill in the payee as the name of the supplier.
5. Fill in the other details that you have, including the description and cost of what you are purchasing.
6. Take the cheque book out from the drawer where it is always kept for security.
7. Calculate the amount to pay the supplier.
8. If you already have an invoice for the goods or services, check the totals and the amounts.
9. Have somebody else check that the goods and services you received agree with what is on the invoice. Ask that person to sign the Payment Voucher section where it says "School Finance Officer's Name and Signature", to prove that somebody else checked the invoice.
10. Fill in the Payment Voucher with the name of the person being paid, what they are being paid for, the amount being paid and the date of payment.
11. Attach the invoice or receipt to the Payment Voucher.
12. Write in the cheque butt (the small part that stays in the cheque book):
 - a. The date of payment
 - b. The name of the person or business being paid
 - c. The reason the person is being paid
 - d. The amount of the cheque.
13. Write in the cheque:
 - a. The date of payment
 - b. The name of the person or business being paid
 - c. The amount of being paid in words
 - d. The amount being paid in figures (numbers)



14. Write on or stamp the invoice or receipt "Paid" and the cheque number and date.
15. Take the cheque book, the Payment Voucher and the attached invoice to each of the cheque signatories who will be signing the cheque. Each signatory signs the cheque and the Payment Voucher.
16. Tear out the cheque leaf and hand it to the supplier.
17. Get the supplier to sign the Payment Voucher as your evidence that you paid them. (This step MUST be done if the supplier cannot give you an invoice or a receipt.)
18. Put the cheque book back in the drawer where it is kept securely.
19. Either immediately, or before the end of the day, get out the cash book.
20. On the next clear line on the cash book write:
 - a. The date of the cheque
 - b. The name of the person or business who was paid. If the cheque was written to "Cash", then write "Cash" in this column of the Cash Book
 - c. In the column "Details", the reason the money was paid. If the cheque was made to Cash you also need to include the name of the person you gave the cheque to.
 - d. Skip the next column because this is not a receipt
 - e. The cheque number
 - f. The reference number of the Payment Voucher
 - g. Under "Amount" write the total amount of the cheque
 - h. Write the same amount under Cash Payments
 - i. Write the amount under Expenditure. Select the column Administration, Boarding, Education Supplies, Operation Maintenance or Development which best describes the reason the money was spent. Sometimes you may split the total amount into two or more Expenditure columns.
21. Put a tick on the Payment Voucher so that you know you have recorded it in the cash book.
22. If you do not have any more payments to record, put the payment vouchers, cash book and cheque book away.



I) Setting Up Petty Cash

Every school **MUST** have Petty Cash which is kept separate from the cash that the school receives from parents, students, fund raising and other income.

All money received **MUST** be written on a receipt, and in the cash book, and taken to the bank.

Petty Cash is how the school can have cash to pay for things without mixing that up with the money that the school receives.

The school needs to be able to report how much money it received as well as how much money it paid out. If the school uses money received for payments rather than putting it in the bank, the school will not be able to report all of the money received and all of the money spent.



The school needs to be able to report all of the money received and how all of the money was spent so that there are no suspicions that the school money was not used properly. Also the Ministry of Education needs to know this information so that it can plan for things that schools need, and also how much school grants schools need.

1. At a meeting of the School Council, the School Council discusses and agrees on a Petty Cash float amount. This should not be so high that there is a risk of losing a lot of money, and needs to be high enough for the school to have cash to use for payments. If the school is close to a bank branch, this amount can be small.
2. Ensure that the amount of the petty cash float that the School Council agreed to is recorded in the Minutes of the meeting.
3. Take out a blank Payment Voucher Form.
4. Fill in the payee as "Petty Cash".
5. Fill in the other details and attach a copy of the School Council Minutes if you can.
6. Take the cheque book out from the drawer where it is always kept for security.
7. Attach the invoice or receipt to the Payment Voucher.
8. Write in the cheque butt (the small part that stays in the cheque book):

- a. The date of payment
- b. The payee is "Petty Cash"
- c. The reason is "Petty Cash set up"
- d. The amount of the cheque.

9. Write in the cheque:

- a. The date of payment
- b. The Payee is "Cash"
- c. The amount of being paid in words
- d. The amount being paid in figures (numbers)



10. Take the cheque book and the Payment Voucher to each of the cheque signatories who will be signing the cheque. Each signatory signs the cheque and the Payment Voucher.

11. Tear out the cheque leaf and hand it to the person who will be going to the bank.

12. Get the person to sign the Payment Voucher as your evidence that you gave them the "Cash" cheque.

13. Put the cheque book back in the drawer where it is kept securely.

14. When the person returns from the bank, take out the petty cash box.

15. Both of you count the money from the bank to make sure that the amount agrees to the petty cash float amount.



16. Lock the petty cash box and put it back in the lockable drawer.

17. Either immediately, or before the end of the day, get out the cash book.

18. On the next clear line on the cash book write:

- a. The date of the cheque
- b. The name of the person or business who was paid. If the cheque was written to "Cash", then write "Cash" in this column of the Cash Book
- c. In the column "Details", the reason the money was paid. If the cheque was made to Cash you also need to include the name of the person you gave the cheque to.
- d. Skip the next column because this is not a receipt
- e. The cheque number
- f. The reference number of the Payment Voucher
- g. Under "Amount" write the total amount of the cheque

- h. Write the same amount under **Bank Payments**
- i. Write the amount under Expenditure - Administration.

19. Put a tick on the Payment Voucher so that you know you have recorded it in the cash book.

20. If you do not have any more payments to record, put the payment vouchers, cash book and cheque book away.

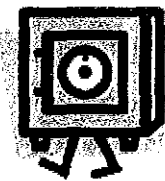
J) Topping Up Petty Cash

1. Take the Petty Cash box out of the drawer.
2. Take out the Petty Cash Payment Vouchers.
3. On a new Petty Cash Book page, write a list of all the Petty Cash Payment Vouchers including:
 - a. Voucher number
 - b. Date of the payment
 - c. The reason the person is being paid
 - d. The amount of the payment
4. Add up all of the amounts on the list and write the total at the bottom of the list.



5. Count the cash that is left in the petty cash box and write this amount under the total of the payment vouchers.
6. Add the two figures together. The amount should equal the original amount of the petty cash float. If it does not, work out why and fix the list of payment vouchers.
7. Put the cash and the petty cash box back in the drawer. Keep out the list and the petty cash payment vouchers.
8. Take out a blank Payment Voucher Form.
9. Fill in the payee as "Petty Cash".
10. Fill in the other details as the total of the petty cash top up needed. This is the total of the petty cash vouchers you have written on the list.
11. Take the cheque book out from the drawer where it is always kept for security.
12. Attach the list and the petty cash payment vouchers to the Payment Voucher.
13. Write in the cheque butt (the small part that stays in the cheque book):
 - a. The date of payment
 - b. The payee is "Petty Cash"
 - c. The reason is "Petty Cash top up"

- d. The amount of the cheque.
14. Write in the cheque:
- The date of payment
 - The Payee is "Cash"
 - The amount of being paid in words
 - The amount being paid in figures (numbers)
15. Write on or stamp the petty cash voucher list "Paid" and the cheque number and date.
16. Take the cheque book, the Payment Voucher and the attached vouchers to each of the cheque signatories who will be signing the cheque. Each signatory signs the cheque and the Payment Voucher.
17. Tear out the cheque leaf and hand it to the person who will be going to the bank.
18. Get the person to sign the Payment Voucher as your evidence that you gave them the "Cash" cheque.
19. Put the cheque book back in the drawer where it is kept securely.
20. When the person returns from the bank, take out the petty cash box.
21. Both of you count the money from the bank and the money in the petty cash box to make sure that the total is now the petty cash float amount.
22. Lock the petty cash box and put it back in the lockable drawer.
23. Either immediately, or before the end of the day, get out the cash book.
24. On the next clear line on the cash book write:
- The date of the cheque
 - The name of the person or business who was paid. If the cheque was written to "Cash", then write "Cash" in this column of the Cash Book
 - In the column "Details", the reason the money was paid. If the cheque was made to Cash you also need to include the name of the person you gave the cheque to.
 - Skip the next column because this is not a receipt
 - The cheque number
 - The reference number of the Payment Voucher
 - Under "Amount" write the total amount of the cheque



- h. Write the same amount under **Bank Payments**
- i. Write the amount under Expenditure. Select the column Administration, Boarding, Education Supplies, Operation Maintenance or Development which best describes the reason the money was spent. Sometimes you may split the total amount into two or more Expenditure columns.

25. Put a tick on the Payment Voucher so that you know you have recorded it in the cash book.

26. If you do not have any more payments to record, put the payment vouchers, cash book and cheque book away.

K) Paying Wages with Petty Cash

1. Calculate the amount to be paid to the staff member.
2. Record the date and the amount on the wages register on the page for this staff member.
3. Take out a blank Petty Cash Voucher Form.
4. Fill in the payee as the name of the employee.
5. In the details, fill in the days and hours worked each day by the employee.
6. Calculate the amount of pay for the person.
7. Make a pay advice. Write the person's name, date of pay, dates worked, number of hours worked, hourly or weekly rate of pay and total amount of this pay on two sheets of paper. One sheet of paper is attached to the Petty Cash Voucher instead of a receipt or an invoice. The other sheet is given to the employee with his or her pay so that they know how their pay was calculated and that it is correct.
8. Fill in the Petty Cash Voucher with the name of the person being paid, what they are being paid for, the amount being paid and the date of payment.
9. Attach the pay advice to the Petty Cash Payment Voucher.
10. Take the Petty Cash box out of the drawer where it is kept for safety.
11. Take out the correct amount of cash and hand it and the other copy of the pay slip to the employee.
12. Get the employee to sign the bottom section of the Payment Voucher as your evidence that you gave them their pay.



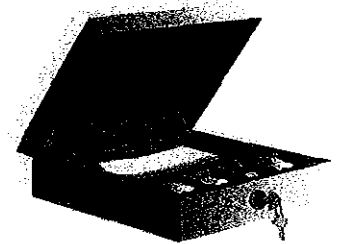
securely.

13. Put the Petty Cash Payment Voucher inside the Petty Cash box and lock the box.

14. Put the petty cash box back in the drawer where it is kept

L) Paying for supplies with petty cash

1. If possible, obtain 3 quotations from different suppliers for the goods you want.
2. Select the supplier that meets the quality and other requirements for the best price.
3. Take out a blank Petty Cash Voucher Form.
4. Fill in the payee as the name of the supplier.
5. Fill in the other details that you have, including the description and cost of what you are purchasing.
6. Calculate the amount to pay the supplier.
7. If you already have an invoice for the goods or services, check the totals and the amounts.
8. Attach the invoice or receipt to the Petty Cash Voucher.
9. Take the Petty Cash box out of the drawer where it is kept for safety.
10. Take out the correct amount of cash and hand it to the person you are paying and get a receipt if possible.
11. Get the person you are giving the cash to sign the bottom section of the Petty Cash Voucher as your evidence that you gave them the money.



12. Put the Petty Cash Voucher inside the Petty Cash box and lock the box.
13. Put the petty cash box back in the drawer where it is kept securely.

M) Checking the Bank Statement (every month)

1. Receive your bank statement from NBV.
2. Take the cash book out of the drawer where it is kept.
3. Turn to the page in the cash book where the transactions for the month that matches the bank statement were recorded.
4. Do the procedures in steps C and D earlier in this manual.
5. Look through the bank statements for debits (money that has been taken out of your bank account) that are not cheques or withdrawals. These will usually be bank fees.
6. Record these debits in the cash book the same as a cheque payment, except the amount is recorded under Bank Payments, not Cash Payments.
7. Add up each column in the cash book for the month you are checking. Write the total at the bottom of each column.
8. **(Always start a new page, or leave a few lines, for each new month in the Cash Book.)**
9. Match the deposits in the cash book with the deposits in the bank statement. Use a pencil to tick the deposit in the cash book and also on the bank statement when you have matched it.
10. Sometimes there will be a deposit in the cash book that is not in the bank statement. If your NBV branch is not on-line, there will be a delay in NBV processing the deposit into their computer system.
11. Match the cheque payments in the cash book with the cheques in the bank statement by cheque number. Check that the amounts are the same in both the cash book and the bank statement. Use a pencil to tick the cheque deposit in the cash book and also on the bank statement when you have matched it.
12. Look for transactions on the bank statement that do not have any ticks on them. Sometimes you will need to go to older pages in the cash book to match cheque payments or deposits.



13. If there are transactions on the bank statement that should not be there, contact the bank to either find out what the transaction is for, or to tell them it needs to be corrected. If a correction is needed you must tell the bank in a written letter. If the correction is not made in the next bank statement you need to send a copy of the letter to the MoE Internal Audit Unit in Port Vila.

14. Look for deposits in the cash book that do not have a tick on them. If the bank should have processed the deposit by the end of the month, you must ask the bank in writing to explain why the deposit was not processed. Again, if the bank has not processed a correction in the next bank statement you must send a copy of the letter to the Internal Audit Unit in Port Vila.

15. Fill in a bank reconciliation like in the following example.

Bank statement balance at the end of the month 31/3/2010	
100,000	
Less unrepresented cheques	
(list the cheques in all pages of the cash book that do not have ticks)	
12/3/2010 chq 3	1250
23/3/2010 chq 5	750
TOTAL of unrepresented cheques	-
2,000	
Plus unrepresented deposits 31/3/2010	+
10,000	
(list all deposits in the cash book that do not have ticks)	
Adjusted bank balance	
108,000	

Cash book total end of last month	
90,000	
Plus total of Bank Receipts in cash book	+
50,000	

Less total of Bank Payments in cash book
32,000

Cash book balance at end of this month 31/3/2010
108,000

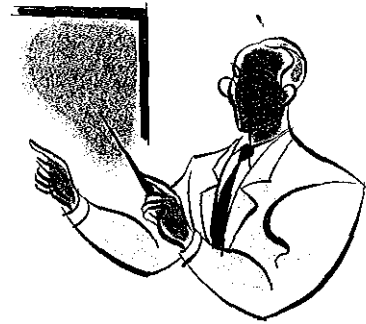
16. Notice how the "Adjusted bank balance" equals the "Cash Book balance at the end of the month"? Now you are **certain** that the bank statement is correct AND your Cash Book is correct.
17. If the two amounts do not agree, you need to recheck that all of the transactions which do not have ticks in you bank statement and your cash book are listed in the bank reconciliation.
18. Sign the bottom of the sheet, and get someone else to check and sign the bank reconciliation so that everyone will know it is correct.



CONGRATULATIONS! YOU NOW HAVE VERY GOOD ACCOUNTS!

N) Filling Up a Financial Report

1. Take out your Cash Book.
2. Work out which months you need to add together for your report. Is it an end of term report or an annual report for the PEO or VEMIS return, or a monthly report for the School Council meeting?
3. Add up the monthly totals for each of the following columns:
 - a. Student Income
 - b. Government Income
 - c. Other Income
 - d. Personnel
 - e. Administration
 - f. Boarding
 - g. Education Supplies
 - h. Operation and Maintenance
 - i. Development



4. Now you can fill in your report, like in the example below.

Financial Report for Clever Coconuts School For Term 3 2010

Student Income	55,000
Government Income	158,000
Other Income	<u>20,000</u>
TOTAL INCOME	233,000
Personnel	20,000
Administration	45,000
Boarding	35,000
Education Supplies	135,000
Operation and Maintenance	15,000
Development	<u>25,000</u>
TOTAL EXPENDITURE	275,000
NET DEFICIT FOR TERM 3	<u>42,000</u>

EASY!!

O) Making a School Budget

1. Take out your Financial Report for last year and the School's Development Plan. You need to do these before you can make your budget. If you are preparing your budget before the end of the year, you can use the financial report for the year so far.

2. Create a list under each of the following headings:

- a. Student Income
- b. Government Income
- c. Other Income
- d. Personnel
- e. Administration
- f. Boarding
- g. Education Supplies
- h. Operation and Maintenance
- i. Development

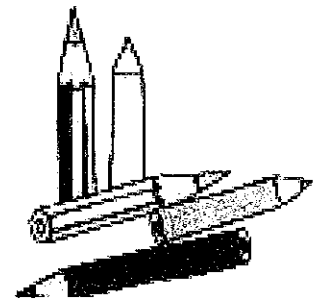
3. Under each heading create a list of the things you will receive money from or spend money on. For example:

- a. Student Income
 - i. Year 7 Fees
 - ii. Year 8 Fees
 - iii. Boarding Fees
- b. Government Income
 - i. School Grant Years 1 to 6
 - ii. School Grant Years 7 & 8
- c. Other Income
 - i. Fundraising
 - ii. Gift from French Government
 - iii. Lunch Money
- d. Personnel
 - i. Teaching Assistant
 - ii. Gardener
 - iii. Cleaner
 - iv. Cook
- e. Administration
 - i. Fuel for generator
 - ii. Transport to bank
 - iii. Phone cards
- f. Boarding
 - i. Rations



- ii. Fuel for generator

- g. Education Supplies
 - i. Stationery
 - ii. Books
 - iii. Library books
 - iv. Classroom supplies
- h. Operation and Maintenance
 - i. Service generators
 - ii. Classroom maintenance
 - iii. Teacher housing maintenance
- i. Development
 - i. Library shelves
 - ii. New desks and chairs
 - iii. Water pump



4. Some of the revenue and expenditure will be a fixed amount per month or year. Others will be a certain amount per class or per student, so you will need the expected enrolment figures for next year. Other costs or revenue will be only for the next year and you will need to get special information for these – eg a letter from a donor promising money.

5. Now use the financial report for last year to estimate how much you will need to spend on each item this year.

6. You will also need anticipated enrolment numbers for each year level. You will need this to estimate how much the school will receive for each type of school grant, boarding fees and any other fees. You will also need this to estimate how much you will need to spend next year on rations for boarders and for school lunches and stationery.

7. You will need the expected enrolment figures and the development plan to work out how many extra books, desks and chairs your school will need.

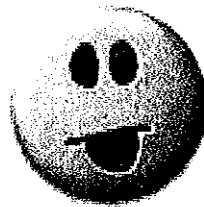
8. The Development Plan may include quotations that have already been received for new equipment. If you do not already have quotations, this might be a good time to get them.

9. Write down all of your notes and calculations. You can then write the amount for each type of revenue or expense on the list you made in step 3, beside each item on the list.

10. Now you will have a budget that looks something like the example below.

**Budget for Clever Coconuts School
For 2011**

Student Income	255,000
Government Income	758,000
Other Income	<u>100,000</u>
TOTAL INCOME	1,113,000
Personnel	200,000
Administration	150,000
Boarding	100,000
Education Supplies	350,000
Operation and Maintenance	15,000
Development	<u>250,000</u>
TOTAL EXPENDITURE	1,065,000
NET SURPLUS FOR 2011	<u>48,000</u>



EASY!!

P) Change Bank Account Signatories

1. You do not need to get the old account signatories to sign anything.
2. The new account signatory must fill in a new NBV account signatory form.
3. Attach copies of the identification of the new signatory.
4. Write on the NBV form "This signatory replaces (*name of the old signatory.*)"
5. Take the form and copies of ID to your PEO.
6. The PEO will check, sign and stamp the form, and then take it to the nearest NBV branch.
7. The NBV branch will check the form and send it to their head office in Port Vila when they next send documents.
8. Account signatories are changed in NBV's Port Vila office, so you will need to allow about a week for the change to be processed.

